### **AGENDA ITEM NO. VII-3**

## **AGENDA REPORT**

OVERSIGHT BOARD FOR THE CITY OF MAYWOOD
AS SUCCESSOR AGENCY OF THE MAYWOOD
COMMUNITY REDEVELOPMENT AGENCY

DATE:

**FEBRUARY 12, 2014** 

TO:

HONORABLE CHAIR AND MEMBERS OF THE OVERSIGHT BOARD

FROM:

ANDRE DUPRET, PROJECT MANAGER

SUBJECT:

RESOLUTION ADOPTING THE ADMINISTRATIVE BUDGET FOR

ROPS 14-15A FOR THE PERIOD JULY 1, 2014 THROUGH

**DECEMBER 31, 2014** 

#### RECOMMENDATION

That the Oversight Board for the City of Maywood ("Oversight Board") as Successor Agency of the Maywood Community Redevelopment Agency ("Successor Agency") approve a resolution adopting the Administrative Budget for ROPS 14-15A for the period July 1, 2014 through December 31, 2014.

#### **FISCAL IMPACT**

Approval of the Administrative Budget will cover the Successor Agency's enforceable administrative expenses as appear in ROPS 14-15A for the period July 1, 2014 through December 31, 2014.

#### **BACKGROUND**

On December 29, 2011, in the *CRA v. Matosantos* case, the Court upheld ABX1 26 and invalidated ABX1 27 thereby eliminating redevelopment agencies and the voluntary option to pay to continue redevelopment. All redevelopment agencies in California were dissolved effective February 1, 2012 with assets, properties, and documents transferred to the successor agencies.

Pursuant to the Dissolution Bills, the Successor Agency must submit an Administrative Budget every six months setting forth the Successor Agency's foreseeable administrative expenses. The proposed resolution sets forth the Successor Agency's Administrative Budget for the period July 1, 2014 through December 31, 2014.

Oversight Board Approval of ROPS 14-15A Administrative Budget February 12, 2014 Page 2

#### DISCUSSION

Health and Safety Code Section 34177 requires the Successor Agency to prepare an Administrative Budget that covers the costs of time spent by staff to comply with the Dissolution Bills. It is important to point out that the Administrative Budget that is presented here is also included in ROPS 14-15A. However, the Administrative Budget itemizes the administrative costs whereas ROPS 14-15A identifies it as a line item. As with the ROPS, the Department of Finance (DOF) requires the Successor Agency to prepare the Administrative Budget every six months. The Administrative Budget being considered today was received and approved by the Successor Agency Board on February 10, 2014 and is the fifth consecutive budget that has been brought before the Oversight Board for approval. Upon approval, Successor Agency staff will transmit the Administrative Budget together with the approving resolution to the Department of Finance.

Attachments: 1. Resolution

2. Administrative Budget

# ATTACHMENT 1 Resolution

RES	OL	UTI	ON	NO.	

A RESOLUTION OF THE OVERSIGHT BOARD OF THE CITY OF MAYWOOD AS SUCESSOR AGENCY TO THE MAYWOOD COMMUNITY REDEVELOPMENT AGENCY ADOPTING THE SIXTH ADMINISTRATIVE BUDGET FOR THE PERIOD JULY 1, 2014 THROUGH DECEMBER 31, 2014 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177.

WHEREAS, the Maywood Community Redevelopment Agency, Maywood, California ("Agency") was formed for the purpose of revitalizing areas within the City of Maywood pursuant to Health and Safety Code Section 33000, et. seq.; and

WHEREAS, AB X1 26 and AB 1484 ("the Dissolution Bills") dissolved all redevelopment agencies in the State of California; and

WHEREAS, the City of Maywood opted to serve as Successor Agency to the Maywood Community Redevelopment Agency ("Successor Agency"); and

WHEREAS, under the Dissolution Bills, the Successor Agency must submit a Recognized Obligation Payment Schedule ("ROPS") every six months that sets forth all of the Successor Agency's financial obligations over that period; and

WHEREAS, the Successor Agency is also required to submit an administrative budget that itemizes the Successor Agency's administrative costs over the six month period; and

WHEREAS, the Successor Agency Board adopted the proposed administrative budget on February 10, 2014; and

WHEREAS, the administrative budget attached hereto covers the Successor Agency's administrative costs for the period July 1, 2014 through December 31, 2014.

NOW THEREFORE, THE OVERSIGHT BOARD OF THE CITY OF MAYWOOD AS SUCESSOR AGENCY TO THE MAYWOOD COMMUNITY REDEVELOPMENT AGENCY DOES RESOLVE, DETERMINE, FIND AND ORDER AS FOLLOWS:

SECTION 1. The City of Maywood as Successor Agency to the Maywood Community Redevelopment Agency ("Successor Agency") finds that the above recitations are true and correct and, accordingly, are incorporated as a material part of this Resolution.

SECTION 2. The Administrative Budget for the period July 1, 2014 through December 31, 2014, and attached hereto as Attachment 2, is hereby approved, adopted, and incorporated by reference by the Maywood Oversight Board pursuant to Health & Safety Code Section 34177.

**SECTION 3.** The Maywood Oversight Board authorizes staff to take all necessary administrative actions to comply with Health & Safety Code Section 34177.

SECTION 4. The Maywood Oversight Board shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED ON this 12th day of February, 2014.

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	Wesly Miguel Hernandez, Chair
	Oversight Board of the Successor Agency to the
	Maywood Community Redevelopment Agency
	,
ATTEST:	APPROVED AS TO FORM:
Cesar Hernandez	
Oversight Board Secretary	
,	
I HERERY CERTIF	Y the foregoing resolution was duly adopted by the Maywood
Oversight Board, at a regular	meeting held on the 12 <sup>th</sup> day of February, 2014, by the following
vote:	, and a second of the second o
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AYES:	
NAYES:	
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ABSENT:	
A DOT A TAL	
ABSTAIN:	
	Cesar Hernandez
	Oversight Board Secretary

# ATTACHMENT 2 Administrative Budget

Name Project Area(s)

YWOOD
A Drained Area All

RDA Project Area All

SUCCESSOR AGENCY
ADMINISTRATIVE BUDGET

54,645.00 20,630.00 9,672.00 6,727.00 3,200.00 64,865.00 \$ 129,731.00 129,731.00 \$ 250,000.00 \$125,000.00 \$125,000.00 \$ 250,000.00 25,395.00 TOTAL 15,000.00 \$
25,020.00 \$
10,315.00 \$
4,838.00 \$
3,364.00 \$
1,600.00 \$ HOPS-14-15A HOPS-14-15B
Jul to Dec Jan to Jun
2014 2015 10,385.00 29,625.00 10,315.00 4,838.00 3,383.00 1,600.00 64,866.00 26,385.00 54,645.00 20,630.00 9,672.00 6,727.00 3,200.00 FY 2014-15 Total 129,731.00 0.00 129,731.00 Other Administrative Costs 4,838.00 \$ 3,835.00 0.00 0.00 903.00 0.00 Equivalent Salaries | Equivalent Benefits 115,431.00 \$ 54,645.00 20,630.00 9,672.00 5,824.00 3,200.00 21,460.00 0.100 0.395 0.190 0.100 0.100 FTE % Administrative Direct Labor
Administrative Direct Labor Fiscal Year 2014-15 Description Jones & Mayer & Other Legal Expenses | Legal Expenses PERSONNEL (Direct Costs)

1) Successor Agency Executive Director

2) Project Manager

3) Finance Manager

4) Senior Accountant

5) Executive Assistant

6) Accounts Payable Total - Administrative Budget Administrative Costs

ESTIMATED ADMINISTRATIVE COSTS FOR TAX ALLOCATION PERIOD JULY 1, 2013 TO JUNE 30, 2014

ESTIMATED ANNUAL FUNDING

Code Source RPTTF - REDEVELOPMENT PROPERTY TAX TRUST FUND OTHER - RESERVES, RENTS, INTEREST TOTAL

250,000.00